

REMARKS

In view of the foregoing amendments and following remarks, Applicant respectfully requests favorable reconsideration of this application.

Applicant respectfully thanks the Office for the indication that the Information Disclosure Statement submitted on March 1, 2002 was considered by the Examiner. However, the Office stated that the articles "Tables for the Revenue Board" and "Capital Expenditure Analysis" were not considered because the whole articles were not included with the abstracts. Applicant respectfully requests the Office to consider the abstracts. Particularly, Applicant only has the abstracts in its possession. Under 37 C.F.R. 1.56, Applicant is only required to submit that prior art that it has in its possession. Applicant has done exactly this. Accordingly, the abstracts should be considered for what they teach.

The Office rejected claims 1 and 9 under 35 U.S.C. 112, second paragraph, as being indefinite. Particularly, the Office asserted that the claims recite the conditional statement "if said average value...", which renders the claim indefinite since it is unclear what the scope of the claim is when the conditional statement is false.

Applicant respectfully traverses. The claim language of claims 1 and 9 expressly recites the result of all possible conditions for the "average value". Particularly, using claim 1 as an example, it recites "if said average value... is greater than or equal to said minimum capitalization value, classifying said asset as a capital asset and, if said average value... is less than said minimum capitalization value, classifying said asset as an expensed asset". Accordingly, the claim recites the result for every possible

condition of the “average value” and this rejection should be withdrawn. Claim 9 is similar in all relevant respects.

The Office also rejected claims of 1-9 under 35 U.S.C. 101 because the claimed invention is directed to non-statutory subject matter. While Applicant disputes the Office’s analysis of the claimed subject matter, it has nonetheless rewritten the claims as suggested by the Office to expressly recite that the steps are being performed within the technological arts, such as by using a digital computing device. Accordingly, this rejection should now be overcome.

Furthermore, the Office rejected all claims, claims 1-18, under 35 U.S.C. 103 as being unpatentable over U.S. Patent Application Publication No. 2002/0082966 to O’Brien et al. (hereinafter O’Brien) in view of Bent. The Office asserted that O’Brien discloses a method in a computer readable product for classifying an asset, comprising: assigning with respect to each of the plurality of machine types an average value of models of the machine type; storing the average values correlated with corresponding machine types in the first computer memory; selecting a minimum capitalization value; receiving purchase data signifying the acquisition of an asset; finding in the first memory said average value corresponding to the machine type in said machine type field of said purchase order data; correlating or comparing the average value assigned to machine type and if the average value for the machine type of said acquired asset is greater than or equal to the minimum capitalization value, classifying the asset in one class, if the average value for said machine type of said acquired asset is less than the minimum capitalization value, classifying it in another class. The Office referred specifically to paragraphs 37, 68, and 155-168 of O’Brien as disclosing these features.

The Office conceded that O'Brien does not disclose the asset being classified as a capital asset or an expensed asset. However, the Office asserted that O'Brien discloses a target asset which can be chosen by having the analyst select the assets and the target asset can be selected on the basis of the selected asset possessing a particular characteristic or characteristic data value. The Office asserted, however, that Bent, on the other hand, teaches the asset being classified as a capital asset or expensed asset (column 1, lines 11-15). The Office asserted that it would have been obvious to modify O'Brien to include the classifying of the assets being classified as a capital asset or an expensed asset as taught by Bent in order to classify financial transactions and expenses into useful categories.

Applicant respectfully traverses.

The present invention is a method and apparatus for classifying assets as capital assets or expensed assets. Assets are classified as capital or expensed assets by determining the average cost of all models of the given machine type to which the particular asset belongs. That average cost is then compared to a predetermined minimum value and all assets of a machine type having an average value that is greater than or equal to the minimum capitalization value are classified as capital assets, while all assets of that machine type having an average value below the minimum capitalization value are classified as expensed assets.

Neither O'Brien nor Bent teaches anything remotely resembling the present invention and certainly nothing in the prior art of record suggests a combination resulting in the present invention.

MPEP §2143 lists three requirements for a proper rejection based on obviousness, namely:

First, there must be some suggestion or motivation, either in the references themselves or in the knowledge generally available to one of ordinary skill in the art to modify the reference or to combine the reference teachings. Second, there must be a reasonable expectation of success. Finally, the prior art reference (or references when combined) must teach or suggest all the claim limitations.

Bent, column 1, lines 11–15, teaches merely that, in accounting, some assets are classified as capital assets and some assets are classified as expensed assets, a fact which Applicant states in the Background section of the present application and certainly does not deny to be known in the prior art. Bent teaches nothing else relevant to the present invention and the Office does not appear to assert otherwise.

O'Brien discloses a system for benchmarking asset characteristics. Paragraphs 158-168 describe a system for (1) tracking and managing a plurality of assets that can also utilize the resulting information for benchmarking purposes, (2) using asset information from multiple entities for benchmarking purposes, and (3) performing benchmarking. A review of paragraphs 155-168 reveals nothing even remotely resembling the present invention.

The Office appears to have selected totally uncorrelated sections of O'Brien and combined them in a way that is not suggested in the reference itself. Furthermore, none of the sections cited by the Office appear to disclose that for which they have been cited. Some of the sections do not disclose anything even remotely resembling that for which they have been cited, while others are merely vaguely related to the proposition for which they have been cited.

Merely as an example, part (1) of claim 1 recites “assigning with respect to each of a plurality of machine types an average value of models of said machine type”. The Office has asserted that this is found in paragraphs 155-156 of O’Brien.

Paragraphs 155-156 of O’Brien are reproduced below.

[0155] Benchmarking asset characteristics 404 requires that such characteristics exist on the system 30. An analyst 400 can use the system 30 to define a virtually unlimited number of asset characteristics 404. An asset characteristic 404 is a type of attribute relating to an asset 31. Different types of assets 31 can have some identical characteristics (e.g. most assets can have an asset type characteristic; some similar characteristics (e.g. most assets will have financial and accounting characteristics); and some totally different characteristics (e.g. a computer will not have a characteristic relating to the carrying capacity of a forklift). The valid forklift identifiers listed above are examples of potential asset characteristics.

[0156] A data value is the particular characteristic value of a particular asset. For example, height can be a characteristic, but a height of 48 inches is a value for the characteristic of height. Similarly, cost can be a common asset characteristic 404. A data value for the asset characteristic of cost is the purchase price of the particular asset.

There does not appear to be anything in these two paragraphs disclosing the assignment of an average value of models of a machine type. The Office also added that paragraph 158 discloses that asset characteristics include purchase price. However, this is a far cry from disclosing the assignment of an average value of models of a particular machine type.

As another example, the Office asserts that part (2) of claim 1, i.e., “selecting a minimum capitalization value”, is disclosed in paragraph 159, 161-162, and 166-168 of O’Brien. These paragraphs are reproduced below.

[0159] Benchmarking pool assets 406 can be selected on the basis of a shared characteristic 404 (for example, the characteristic of being a vehicle), a shared data value for a particular characteristic (for example, all vehicles with a purchase price less than \$20,000), or through any other process or means. The analyst 400 can select on an individual asset by individual asset basis which assets 31 are benchmark pool assets 406. Similarly, the analyst 400 can select on an individual asset by individual asset basis,

which assets are target assets 31. In a preferred embodiment, asset selection for benchmarking purposes should share some relevant characteristic 404 or data value. In the example displayed on the figure, the target asset 31 is a forklift. Benchmarking pool assets 406 include forklifts of different sizes, vehicles of similar structures, machines with similar purposes, and some other vehicles such as helicopters that could be used to move equipment. All of the benchmark pool assets 406 in the Figure do share the characteristic of a carrying capacity, but such commonality is not required for the system 30 to function. All relevant data can be stored on the analysis controller database 78 so that future data can be benchmarked against past data, and to otherwise maximize the potential pool of benchmarking information 408 that can be utilized by the system 30.

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[0161] The system 30 applies a benchmark heuristic to generate a benchmark value from the pool of potential benchmarking information 408. The benchmark value represents some relationship to the data values of a particular characteristic 404 or set of characteristics 404. If a target asset 31 is being compared to the pool of potential benchmark information, data values for one or more asset characteristics 404 of the target asset 31 can be compared to the benchmark values for one or more asset characteristics 404 in the pool of potential benchmarking information 408.

[0162] In a preferred embodiment, a benchmark value will be a numerical or financial value. Numerical values can be aggregated, averaged, subtracted from each other, or otherwise manipulated or processed in accordance with the benchmark heuristic. In alternative embodiments, non-numerical values such as model types, names, and other non-numeric data can be "benchmarked" but such processing is often merely just a form of sorting data.

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[0166] The second step in the process is selecting the characteristic(s) 404 (and the corresponding data values for the characteristic(s) 404) related the benchmark pool assets 406 that are to be included in the pool of benchmark information 408. The analyst 400 can select as many or as few characteristics 404 for benchmarking analysis. If certain characteristics 404 or data values were used to identify which assets are included as benchmarking pool assets 406, those same characteristics do not have to be selected for inclusion in the benchmarking analysis. For example, the characteristic 404 of asset type and the data value of forklift can be used to include only forklifts in the pool of benchmarking information, but the characteristic being benchmarked could be annual cost, or some other financial or accounting characteristic.

[0167] The third step in the process requires the analyst 400 to decide whether a comparison is desired at 416. A comparison will not always be desirable or even possible if target asset 31 information does not exist. In such instances the analyst 400 can forego a comparison, and the system 30 goes to step 422, where the system 30 generates analyses, illustrations, and reports related to the selected assets and the selected

characteristics. An example of step 422 processing is when a procurement decision is being made for a totally new type of asset. Assets 31 that perform similar functions can be pooled together for benchmarking purposes, and various accounting and cost characteristics can be benchmarked for the entire pool of assets. The resulting aggregate and average benchmark values can be compared to the promised or estimated characteristics 404 of the asset 31 that is being considered for procurement purposes. Using the system 30, it may be possible for a seller or manufacturer to provide some performance standards/cost related warranties relating to the benchmarked accounting characteristics since the seller or manufacturer would be able to monitor the use of the assets 31. The benchmarking functionality of the system 30 can be a valuable procurement tool. The system 30 can be used to generate various forms of reporting, illustrations, graphs, and analysis relating to the benchmarked values.

[0168] If a comparison asset 31 or group of assets 31 (collectively target asset 31) is desired, the system 30 proceeds to step 418. The target asset 31 can be chosen manually by having the analyst 400 select the assets 31 on an ad hoc (asset by asset) basis using the access device 402. Otherwise, target assets 31 can be selected on the basis of the selected asset 31 possessing a particular characteristic 404 (for example, a purchase price) or characteristic data value (for example, a purchase price less than or equal to \$20,000). After the analyst 400 is satisfied with the target data and the data in the benchmark pool, the benchmark heuristic can be invoked at 420 to generate the benchmark value, and any related graphical representations, reports, illustrations, graphs, etc.

Once again, it is unclear to what the Office is referring as teaching selecting a minimum capitalization value. There does not appear to be anything in these paragraphs even remotely resembling this step.

Part (3) of claim 1 recites “receiving data signifying the acquisition of an asset”. The Office refers to paragraph 37 of O’Brien as teaching this feature. However, paragraph 37 is in the Background section of O’Brien and has nothing to do with paragraphs 155-168.

The Office is merely picking and choosing unrelated and utterly uncorrelated portions of O’Brien, some of which have absolutely nothing to do with the proposition for which they have been cited, and others of which have some vague relation to the

proposition for which they have been cited, but do not make any type of cohesive sense when put together with the other steps of the claim.

Even further, there is nothing even remotely resembling part (6) of claim 1 in either O'Brien or Bent. Specifically, with respect to part (6), the Office asserts that O'Brien discloses a target asset that can be chosen by having the analyst select the assets and the target assets can be selected on the basis of the selected asset possessing a particular characteristic or characteristic data value. In other words, O'Brien teaches selecting an asset based on a characteristic of the asset. The Office continues on to state that Bent discloses that the characteristic of an asset can be whether it is a capital asset or an expensed asset. The Office concludes that it would have been obvious to modify O'Brien to include the classifying of an asset as a capital asset or an expensed asset, as taught by Bent, in order to classify financial transactions and expenses into useful categories.

This is an unrealistic conclusion based on the teachings of these two references.

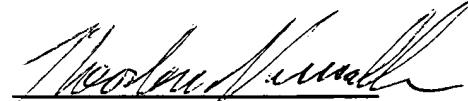
The crux of the present invention is classifying an asset as a capital asset or an expensed asset based on the comparison with a minimum capitalization value of assets of the same machine type. No one could possibly look at (1) O'Brien's teaching of selecting an asset based on a characteristic of the asset and (2) Bent's teaching of the fact that, in accounting, assets are classified as either capitalized assets or expensed assets and find it to be obvious therefrom that assets should be classified as capital or expensed assets by (a) determining the average cost of all models of a given machine type, (b) comparing that average cost a predetermined minimum capitalization value, and (c) assigning all assets of a machine type the average value of which is greater

than or equal to the minimum cap value as capital assets and all assets of a machine type the average value of which is below the minimum cap value as expensed assets.

The Office has clearly engaged in improper hindsight reconstruction.

In view of the foregoing amendments and remarks, this application is now in condition for allowance. Applicant respectfully requests the Office to issue a Notice of Allowance at the earliest possible date. The Office is invited to contact Applicant's undersigned counsel by telephone call in order to further the prosecution of this case in any way.

Respectfully submitted,



Theodore Naccarella
Registration No. 33,023
Synnestvedt & Lechner LLP
2600 Aramark Tower
1101 Market Street
Philadelphia, PA 19107
Telephone: (215) 923-4466
Facsimile: (215) 923-2189

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